

International and Intergovernmental Relations

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2002 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 26, 2002 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

[original signed]

Halvar Jonson, *Minister of International and Intergovernmental Relations*
February 26, 2002

VISION AND MISSION

VISION

A strong Alberta, active in an open world and in a prosperous, united Canada.

MISSION

To lead the development of government-wide strategies and policies for Alberta's relations with international governments and organizations and with federal, provincial and territorial governments in Canada.

CORE BUSINESS

Sound government-to-government relationships are key in securing Alberta's future well-being and to achieve the Ministry's vision of providing leadership in the management of Alberta's international and intergovernmental relationships.

To fulfill this leadership role, it is essential to coordinate Alberta's strategies. Development and implementation of these strategies require close cooperation with other Alberta ministries, as well as strategic partnerships with public and private organizations.

Key services provided by the department are:

- ◆ Advancing Alberta's interests through intergovernmental negotiations and discussions.
- ◆ Coordinating Alberta's strategies relating to international and intergovernmental relations.
- ◆ Providing strategic advice and policy analysis to Alberta ministries and other clients.
- ◆ Obtaining, disseminating and analyzing information for Alberta ministries and other clients.

GOALS

The department contributes to the three core businesses of the Government of Alberta: People, Prosperity and Preservation. The department's key goals are:

- ◆ Promoting the interests of, and securing benefits for, Alberta as an equal partner in a revitalized, united Canada.
- ◆ Promoting the interests of, and securing benefits for, Alberta from strengthened international relations.
- ◆ Promoting the interests of, and securing benefits for, Alberta from greater trade and investment liberalization, domestically and internationally.

GOALS AND STRATEGIES

GOAL 1: Promoting the interests of, and securing benefits for, Alberta as an equal partner in a revitalized, united Canada

| KEY RESULTS | STRATEGIES |
|---|---|
| 1.1 Effective participation by Alberta in the Canadian federation | <ul style="list-style-type: none"> ◆ Advance Alberta's interests and ensure that Alberta priorities are addressed at intergovernmental meetings of Ministers and officials. ◆ Provide policy analysis and strategies, and coordinate input from other Alberta ministries for Alberta's participation in First Ministers' meetings, Premiers' Conferences, and Ministerial meetings. ◆ Develop strategies and policy options, in conjunction with Alberta ministries, to enable Alberta to receive a fair share of federal funding. ◆ Work with Alberta ministries to develop and implement coordinated and consistent approaches to intergovernmental issues and processes. ◆ Assist Alberta ministries in the development of intergovernmental agreements that reflect Alberta's intergovernmental objectives and priorities. |
| 1.2 A Canadian federal system that better serves Albertans' needs. | <ul style="list-style-type: none"> ◆ Promote both interprovincial and federal-provincial solutions to improve the efficiency and effectiveness of the federation through the reduction of overlap and duplication between governments, the reform of institutions (e.g., the Senate) and the reform of financial arrangements (e.g., fiscal rebalancing). ◆ Promote federal-provincial solutions to redesign federal-provincial financial arrangements including the Canada Health and Social Transfer, Equalization and cost-sharing arrangements. ◆ Implement, in conjunction with Alberta ministries, "A Framework to Improve the Social Union for Canadians" in a manner consistent with Alberta's intergovernmental interests. ◆ Develop, in conjunction with other governments, an intergovernmental dispute settlement mechanism that can be applied to potential disputes in a range of intergovernmental issues. ◆ Work with Alberta ministries to develop strategies for Alberta's intergovernmental relations, to ensure Alberta plays a leadership role within the federation. |
| 1.3 Effective leadership by Alberta that supports a strong, united and secure Canada. | <ul style="list-style-type: none"> ◆ Develop policy recommendations and strategies on national unity and other related issues as they emerge. ◆ Work with the federal government, other provinces, the private sector and other key stakeholders to update and strengthen coordinated policy responses to issues relating to the security of the province and people of Alberta. |

GOAL 2: Promoting the interests of, and securing benefits for, Alberta from strengthened international relations

| KEY RESULTS | STRATEGIES |
|--|---|
| <p>2.1 Intergovernmental relationships which facilitate the two-way flow of goods, services, people and investment between Alberta and the United States.</p> | <ul style="list-style-type: none"> ◆ Build and maintain alliances with key U.S. decision makers and organizations (such as governors/legislators, energy officials, Montana-Alberta Bilateral Advisory Council; Pacific Northwest Economic Region). ◆ Identify and pursue opportunities for closer cross-government cooperation in areas that affect Alberta/U.S. economic activities. ◆ Take a leadership role on issues of Canada/U.S. integration (including harmonization of standards, common perimeter, border crossing). ◆ Work with other ministries and the private sector to enhance U.S. understanding of Alberta as a secure and reliable supplier of energy. ◆ Influence Canadian foreign policy so that it reflects Alberta's interests and priorities towards the U.S. ◆ Provide intelligence and policy advice to Alberta stakeholders on U.S. issues and developments. |
| <p>2.2 A strategic approach to Alberta's international relations that effectively promote the province's interests and priorities to foreign, governmental, decision makers.</p> | <ul style="list-style-type: none"> ◆ Provide strategic advice to departments who are developing policies under Alberta's International Strategy. ◆ Deliver intelligence and policy advice to Alberta stakeholders on internationally-sensitive issues. ◆ Develop strategically-focused programs that showcase Alberta's strengths to international representatives. ◆ Provide leadership and coordination for Premier's missions and advice on other ministerial missions. ◆ Provide information and advice to clients and partners (Alberta offices, Canadian posts, foreign embassies and consulates) so they can help promote Alberta's economic, political and social strengths internationally. ◆ Coordinate interpretation and translation services for the Alberta government. |
| <p>2.3 Active bilateral relations (including twinings) that enhance Alberta's profile in key international markets.</p> | <ul style="list-style-type: none"> ◆ Build close relations with government representatives of key foreign partners. ◆ Coordinate and facilitate mutually-beneficial involvement with Alberta's "sister provinces". Assess potential new twinings. ◆ Support the work of the Advisory Council on Alberta-Ukraine Relations in enhancing bilateral relations with Ukraine. ◆ Provide information and identify opportunities regarding twinned regions to Alberta stakeholders. |
| <p>2.4 Effective contribution by Alberta to international development in the area of governance.</p> | <ul style="list-style-type: none"> ◆ Share the Alberta government's best practices with foreign partners. ◆ Develop partnerships with the private sector and educational institutions to pursue projects funded by International Financial Institutions. ◆ Provide information, intelligence and advice to Alberta stakeholders on Canadian International Development Agency, World Bank, and other projects funded by International Financial Institutions. ◆ Design, implement and manage governance projects selectively. ◆ Work with Alberta's public sector to facilitate participation in governance projects. ◆ Work with Alberta Economic Development to assist Alberta businesses in accessing more International Financial Institutions' contracts. |

GOAL 3: Promoting the interests of, and securing benefits for, Alberta from greater trade and investment liberalization, domestically and internationally.

| KEY RESULTS | STRATEGIES |
|---|---|
| <p>3.1 Expanded trade liberalization and foreign market access for Albertans through international trade and investment agreements.</p> | <ul style="list-style-type: none"> ◆ Remove or reduce barriers to trade and investment through direct negotiation. Participate with the federal government in negotiations to ensure Alberta's objectives are heard. ◆ Develop a formal federal-provincial agreement that stipulates full provincial participation in Canada's negotiation of agreements affecting provincial jurisdiction or interests. ◆ Consult and work with private and public sector organizations to pursue the benefits of free trade. ◆ Manage government-wide implementation of the North American Free Trade Agreement, the World Trade Organization Agreement and other agreements. Anticipate and prevent disputes. ◆ Coordinate Alberta's participation in World Trade Organization negotiations on issues involving provincial jurisdiction (e.g., environment, labour, agriculture, competition/business regulation, and services) and in other regional and multilateral negotiations (e.g., Free Trade Area of the Americas, Asia-Pacific Economic Cooperation). ◆ Manage disputes and defend Alberta's interests under North American Free Trade Agreement, World Trade Organization and other agreements. ◆ Work with other Alberta ministries to implement the trade policy component of Alberta's international strategy in a targeted, coherent manner. |
| <p>3.2 Expanded Canadian internal trade liberalization which promotes the free flow of goods, services, capital and labour across Canada.</p> | <ul style="list-style-type: none"> ◆ Remove or reduce barriers to internal trade, investment and labour mobility through direct negotiation with the federal government and other provinces and territories. ◆ Consult and work with private and public sector organizations to pursue the benefits of free trade. ◆ Coordinate Alberta participation in the Agreement on Internal Trade. ◆ Manage the government-wide implementation of the Agreement on Internal Trade. Anticipate and prevent disputes. ◆ Manage disputes and defend Alberta's interests in the Agreement on Internal Trade. ◆ Work with other Canadian governments to enhance domestic trade through bilateral and multilateral negotiations and other regional agreements. |

PERFORMANCE MEASURES AND INDICATORS

International and Intergovernmental Relations has several methods of measuring its performance, including:

1. Reports on Department Performance
2. Client Satisfaction Surveys
3. Intermediate Outcomes
4. Public Polling Data

1. REPORTS ON DEPARTMENT PERFORMANCE

Previous department business plans have acknowledged that many of the department's outcomes are long term, frequently dependent on factors outside the control of the department (i.e., dependent upon obtaining agreement from other governments), and difficult to present as quantitative data. To ensure the clear reporting of departmental performance, while keeping in mind the limitations faced in developing such data, the department provides a detailed narrative record of its achievements and activities. This narrative is found in the department's Annual Reports. The reports document the accomplishments for each goal and provide a narrative outlining events and outcomes over the previous year.

In addition to the Annual Report, other assessments on key initiatives are done periodically. They may include reports issued after the conclusion of major conferences, trade negotiations or international missions. The reports assess how and if the province achieved its objectives.

2. CLIENT SATISFACTION SURVEYS

Another measure of outcomes for International and Intergovernmental Relations is stakeholder or client satisfaction. To achieve its goals, the department works closely with Alberta ministers, ministries, and other organizations in the province. Through periodic surveys, the department consults these clients to evaluate the department's contribution to advancing Alberta's priorities and positions.

Client Surveys are an important component of the department's varied measurement tools. The 2001 Client Survey was the fourth broad survey completed by the department. Earlier surveys, completed in 1995, 1997, and 1999, indicated that clients, both internal and external to government, consistently rated the department highly in the area of satisfaction with the services provided. The 2001 Client Survey continued this earlier trend, indicating a high level of satisfaction (close to 4 on a scale to 5) in virtually all areas of services provided, meeting the department's target (4 out of 5).

3. MEASURING INTERMEDIATE OUTCOMES

In order to track the intermediate outcomes of major projects, the department prepares status reports or contributes to the reports prepared by others. Since these projects span many years, preparing regular progress reports or measuring intermediate outcomes allows governments and taxpayers to track the progress of complex, long-term issues. Examples of this approach are:

- ◆ regular status reports that measure the implementation of the Agreement on Internal Trade and the progress of complaints and disputes under that agreement;

- ◆ regular Progress Reports to Premiers by the Provincial/Territorial Council on Social Policy Renewal; and
- ◆ communiqués released at the end of Premiers' meetings.

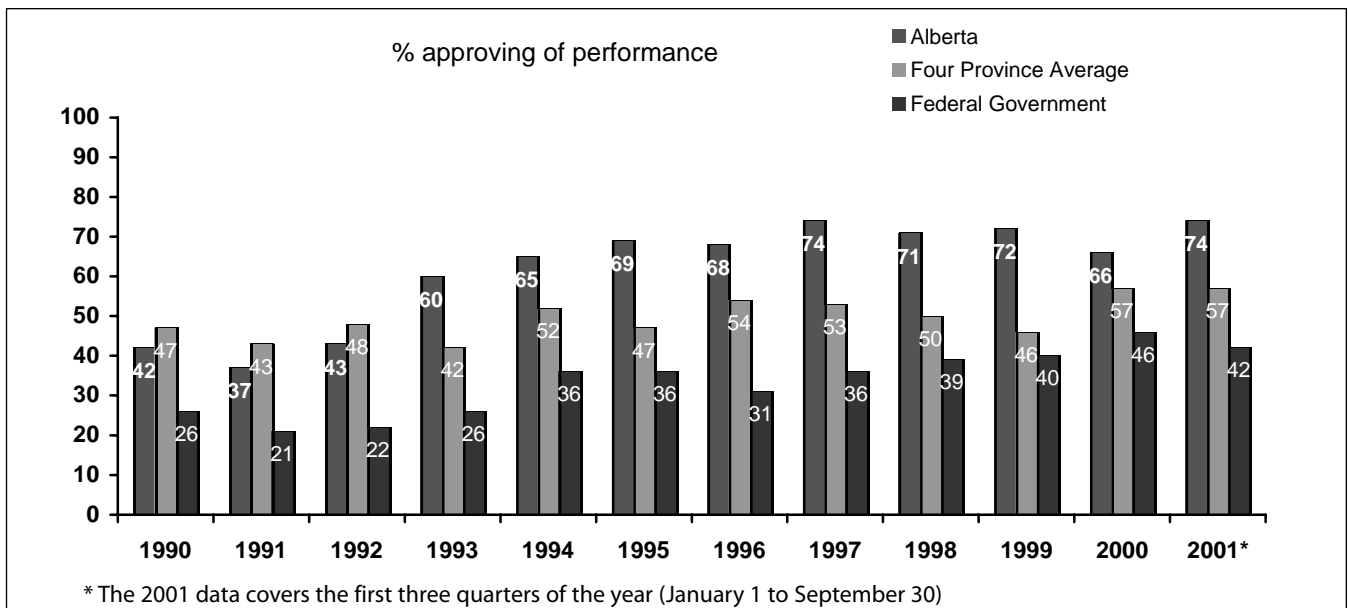
These reports are posted on the International and Intergovernmental Relations departmental website: <http://www.iir.gov.ab.ca>. In addition, the website includes updates on preparations for and progress in domestic and international trade negotiations (e.g. World Trade Organization and the Agreement on Internal Trade). The website also provides an opportunity for feedback and comments (feedback mechanism, Agreement on Internal Trade problem registration form, and Alberta Connects program) from the business community and the public.

4. PUBLIC POLLING DATA

An important measure of how the Alberta government is performing in the areas of international and intergovernmental relations is public polling data. In measuring the performance of the provincial government based on the satisfaction level of Albertans, the polling data does not specifically rate the performance of the department, but tracks the performance of the whole government. However, the department does play an important role in supporting the Premier and his cabinet colleagues in achieving intergovernmental goals. The polling data is based on a regular, national, opinion poll conducted by Environics Canada. The poll surveys the views of Canadians regarding the performance of their provincial and federal governments. The results are reported in the Focus Canada Report.

Alberta's target is to maintain the government's public approval rating in federal-provincial relations on par with the average of four other provinces (British Columbia, Saskatchewan, Manitoba, and Ontario). These provinces are closest to Alberta in terms of geography, history, economic base, social patterns and approaches to federalism. Alberta's intergovernmental approval rating in 2000 was 66% (see graph below). The four province average was 57% and the federal government rating was 46%. Preliminary figures for 2001 show Alberta's rating increasing to levels seen in previous years.

APPROVAL RATINGS: Intergovernmental Relations



OTHER SECONDARY INDICATORS

The department reports on a number of secondary indicators that track macroeconomic trends (e.g., trade statistics). While these are not direct measures of the department's performance, they do indicate the environment in which the department is operating. More detail on each indicator is available on the department's website: <http://www.iir.gov.ab.ca>.

GOVERNMENT-WIDE GOALS

Much of the department's work relates to Goal 19 of the Government Business Plan for 2002-2005:

Goal 19: Alberta will work with other governments and maintain its strong position in Canada.

As well, the department's strategies contribute to the realization of the following government-wide goals:

Goal 2: Our children will be well cared for, safe, successful at learning and healthy (IIR outcome 1.2)

Goal 7: Alberta will have a prosperous economy (IIR outcomes 1.1, 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, 3.2)

Goal 8: Alberta's workforce will be skilled and productive (IIR outcomes 1.2, 3.1, 3.2)

Goal 10: Alberta's value-added industries will lead economic growth (IIR outcomes 2.1, 2.3, 3.1, 3.2)

Goal 14: Alberta businesses will increase exports (IIR outcomes 2.1, 3.1, 3.2)

Goal 17: The high quality of Alberta's environment will be maintained and enhanced (IIR outcomes 1.1, 1.2)

APPENDIX - CROSS MINISTRY INITIATIVES

PRIORITY POLICY CROSS-MINISTRY INITIATIVES

IIR continues to actively work on the priority policy cross-ministry initiatives:

- ◆ Economic Development Strategy
- ◆ Children and Youth Services Initiative
- ◆ Aboriginal Policy Initiative
- ◆ Health Sustainability Initiative

IIR's participation in the priority policy cross-ministry initiatives enables the Ministry to provide advice on gaps and overlaps with respect to intergovernmental issues.

KEY ADMINISTRATIVE INITIATIVES

The activities of IIR are aligned with each of the Key Administrative Initiatives.

For example, IIR works with the Alberta Corporate Service Centre to achieve efficiencies in the Ministry's administrative services. IIR shares strategic corporate services, and the Senior Financial Officer/Chief Information Officer with the ministry of Aboriginal Affairs and Northern Development.

Through the Corporate and Ministry Human Resource Development Strategies, IIR is developing strategies to ensure staff are knowledgeable, skilled and effective. IIR partners with Alberta Learning for its strategic human resource planning and programs.

IIR works within the Corporate Information Management/Information Technology Strategy to enhance business outcomes and to ensure the cost-effective use of technology.

The Ministry is committed to the One-Window concept and has served on various committees since its inception (e.g., web development).

MAINTENANCE INITIATIVES

The department leads cross-ministry maintenance initiatives relating to intergovernmental relations and Alberta's International Strategy. It is anticipated that a coordinated, strategic approach will be developed to assist all departments in fulfilling their respective intergovernmental responsibilities. The department leads the Ministerial Task Force on Security, which handles provincial and intergovernmental security issues. It is also working towards the completion of a business resumption plan, as recommended by the Auditor General in his 2001-02 annual report.

Expense by Core Business

(thousands of dollars)

| | Comparable 2000-01 Actual | Comparable 2001-02 Budget | Comparable 2001-02 Forecast | 2002-03 Estimates | 2003-04 Target | 2004-05 Target |
|-----------------------------|---------------------------------|---------------------------------|-----------------------------------|----------------------|-------------------|-------------------|
| EXPENSE | | | | | | |
| Core Business | | | | | | |
| Intergovernmental Relations | 6,148 | 6,104 | 5,953 | 6,084 | 6,125 | 6,125 |
| MINISTRY EXPENSE | 6,148 | 6,104 | 5,953 | 6,084 | 6,125 | 6,125 |

Ministry Statement of Operations

(thousands of dollars)

| | Comparable 2000-01 Actual | Comparable 2001-02 Budget | Comparable 2001-02 Forecast | 2002-03 Estimates | 2003-04 Target | 2004-05 Target |
|---|---------------------------------|---------------------------------|-----------------------------------|----------------------|-------------------|-------------------|
| REVENUE | | | | | | |
| Other Revenue | 25 | - | 1 | - | - | - |
| MINISTRY REVENUE | 25 | - | 1 | - | - | - |
| EXPENSE | | | | | | |
| Program | | | | | | |
| International and Intergovernmental Relations | 6,170 | 6,104 | 5,953 | 6,084 | 6,125 | 6,125 |
| Valuation Adjustments and Other Provisions | (22) | - | - | - | - | - |
| MINISTRY EXPENSE | 6,148 | 6,104 | 5,953 | 6,084 | 6,125 | 6,125 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| NET OPERATING RESULT | (6,123) | (6,104) | (5,952) | (6,084) | (6,125) | (6,125) |

Consolidated Net Operating Result

(thousands of dollars)

| | Comparable 2000-01 Actual | Comparable 2001-02 Budget | Comparable 2001-02 Forecast | 2002-03 Estimates | 2003-04 Target | 2004-05 Target |
|---|---------------------------------|---------------------------------|-----------------------------------|----------------------|-------------------|-------------------|
| Ministry Revenue | 25 | - | 1 | - | - | - |
| Inter-ministry consolidation adjustments | - | - | - | - | - | - |
| Consolidated Revenue | 25 | - | 1 | - | - | - |
| Ministry Program Expense | 6,148 | 6,104 | 5,953 | 6,084 | 6,125 | 6,125 |
| Inter-ministry consolidation adjustments | - | - | - | - | - | - |
| Consolidated Program Expense | 6,148 | 6,104 | 5,953 | 6,084 | 6,125 | 6,125 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| CONSOLIDATED NET OPERATING RESULT | (6,123) | (6,104) | (5,952) | (6,084) | (6,125) | (6,125) |